

**LIFESTREAM CHRISTIAN FELLOWSHIP**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Note 1: Statement of Significant Accounting Policies**

This financial report is a special purpose financial report prepared for use by the Management Team and members of the Association. The Management Team has determined that the Association is not a reporting entity.

The report has been prepared in accordance with the requirements of the following Australian Accounting Standards.

AASB 1031:     Materiality  
AASB 110:     Events after the Balance Sheet Date

No other Australian Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non - current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

**(a) Cash Flows**

Accounting standard AASB 107, Cash Flow Statements, has not been applied as we believe it does not contribute to a further understanding of these accounts.

**Note 2: Income Tax**

The Association is exempt from income tax under s 50-5 of the Income Tax Assessment Act 1997 as a religious institution.

**Note 3: Income**

The Association has received offerings in the form of a trust distribution that has a component of franking credits. This has resulting in the association receiving tax refunds from the ATO. These are being taken up as offering income.

**These notes should be read in conjunction with the attached auditor's report.**

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**Note 4: Transfer of Property**

The property located at 152 Langdon Avenue, Wanniasa ACT, by resolution, was transferred from the Conference of Churches of Christ in the ACT Inc to LifeStream Christian Fellowship, for no consideration, during the 2013 calendar year.

In accordance with the accounting policy listed in Note 4, the value of the initial transfer of the property has been recorded at the depreciated replacement cost, as determined by an independent qualified valuer. The last valuation was completed in December 2012.

**Note 5: Land and Buildings**

Land and Buildings are carried at the depreciated replacement cost, as determined by an independent suitably qualified valuer. Depreciated replacement cost is defined as the current gross cost of replacement of an asset with a replica asset less an allowance for physical deterioration (depreciation) and all forms of obsolescence. Valuations will be completed periodically as and when the Management Team determines it appropriate. The last valuation was completed in December 2012.

Depreciation of the buildings and improvements is taken up annually, on a straight line basis, over the economic life of the building, which has been determined to be 40 years (2.5% p.a.). Land is not depreciated.

**Note 6: Plant and Equipment**

Accounting Standard AASB 116, Property, Plant & Equipment, has not been applied. Depreciable operating assets are fully claimed as an expense in the year of purchase, and not depreciated, as we believe it makes the accounts more readable for the members and leads to a better understanding of the financial position. An exception to this is where management determines the asset to have improved the capital value of the building. Depreciation on these items is taken up annually, on a straight line basis, over the economic life of the assets, which have been determined to be 10 years (10.00% p.a.)

**These notes should be read in conjunction with the attached auditor's report.**